Patent Committee Teleconference Meeting
Future Meeting Planning and for Patent Standing Committee Members
to Discuss Topics of Interest
Wednesday, April 15, 2009, 2 p.m.

Minutes of Teleconference Meeting of April 15, 2009

I. Discussion of possible topics of interest

Possible topics of interest for future meetings were discussed.

Among these, the possible introduction in the U.S. patent system of instruments such as an after grant opposition procedure or "first to file", that are traditional to other systems, in particular the European system.

Relevant parts of the legislation currently under consideration before Congress could be discussed with a person who has expertise in the EP system where those instruments have been in place for a long time.

A list of possible topics and speakers will be provided by Enrica Bruno to Georgann Grunenbach for further consideration.

II. Plans of Meeting of May 14, 2009

The meeting of May 14, 2009 will be focused on providing information about finding jobs in the Intellectual Property field during these times of economic crisis.

The meeting will be a unique event, since it is not the CalBar's purpose to provide job opportunities. However, in view of the current crisis, it is considered to be a service that will provide practitioners with an opportunity to obtain additional information.

The possible opening of the meeting to other committees and sections of the CalBar was discussed. Concerns were expressed that the number of participants might be too high and that the meeting would be too dispersive should firms involved not only in patent law but also IP in general and entertainment law be considered. Also, the differences between the patent field and trademark and copyright fields were highlighted. It was decided that the focus should be that of providing networking opportunities for the patent community.

The structure of the meeting was discussed, together with the assignment of a certain time to each speaker in view of the involvement of a certain number of speakers.

Possible ways to make the information available to the practitioners were also discussed. Calbar is prohibited from posting links. The opportunity of having practitioners directly contacting members of the Committee who could then provide job information was also discussed.

Eventually, the solution will be that of making the information available, so that practitioners can have the information of people they can contact. The focus should be that of providing an opportunity to help people to have a better understanding of what is available and what the future perspectives are.

CalBar will also make clear that information obtained during the meeting will not have to be exploited in any way.

III. Approval of previous meeting's minutes

Georgann Grunenbach called the meeting to order and the meeting minutes from March 18, 2009 were approved.

IV. Report from the PTO Meeting (Patent Session) April 6, 2009

Tom Ward provided a report from the PTO meeting April 6, 2009.

For the Patent Session, the PTO representatives present included Jim Toupin, Michael Fleming, Harry Moatz, Robert Clark and Andrew Faile.

Mr. Toupin first indicated that the 'PTO comes to California' trip was cancelled under his direction this year because of the PTO budget's shortfall. He also expected that the budget would not permit a 'PTO comes to California' program in 2010. He reiterated that he did not believe that PTO Officials could accept reimbursement for travel expenses from the California Bar for future programs.

Mr. Clark and Mr. Faile discussed guidelines for recent court rulings. Regarding KSR, they said the PTO implemented examiners' training and guidelines based on KSR over the past year. As to Bilski, Mr. Clark indicated that the PTO issued broad guidelines. However, since a petition for certiorari has been filed, the case is still considered pending. With the current Federal Circuit ruling in Bilski, he said that not much has changed for examination under Section 101. Recitation of a strict manipulation of data in the claims, as opposed to a physical limitation, will likely give rise to a 101 rejection. He said the Kubin decision of the week preceding the meeting by the Fed. Cir. shows that the PTO is on the right track in interpreting the Supreme Court's guidelines.

Regarding Board of Patent Appeals decisions, Judge Fleming said there were three categories that are available on the web: 1 Precedential; 2. Informative; and 3. Routine. Although all three decisions are citable, only the precedential decisions are binding on the Board.

Turning to deferred examination, Mr. Clark and Mr. Faile indicated that 12-18% of all first office actions receive no response. The examiner's time on some of these is believed to be better spent by preparing a first office action on cases where the applicant will respond. The PTO expects that some form of deferred examination will be implemented, but a decision on deferred examination will await the nomination of a new Under Secretary and Director of the USPTO.

Mr. Toupin commented on the new patent reform legislation. He emphasized, however, that the PTO is taking no position on the legislation until a new Under Secretary and Director of the

USPTO is nominated. Regarding the 'first to file', he said it would eliminate interferences. However, the PTO expected that the new opposition procedures (or 'first window') would fill the gap in activity for the Board of Appeals. Mr. Toupin further said that the 'second window', or revisions to the inter partes reexamination, would include appointment of ALJs to handle the cases more like an actual trial. Regarding the new IDS rules, or any implementation of a portion of the new continuation rules, he said all of these will await the nomination of the new Under Secretary and Director of the USPTO.

Mr. Clark further noted that approximately 90% of the PCT searches are now contracted out when the US is designated as the search authority, and that the Search Report is now averaging less than 16 months, and will easily beat the 30 month national phase filing deadline. The PCT search, with a different contracted searcher, will be different than the search done by the U.S. examiner and may provide better references.

Turning to the Patent Prosecution Super Highway, Mr. Clark indicated that this program is expected to stay. Basically, the program can be requested once claims are allowed in a foreign country to rapidly get a corresponding case allowed in the U.S. Mr. Faile indicated that if such program began to give foreign cases precedent over U.S. cases, then the policy might be reviewed. He also noted that the Patent Prosecution Super Highway program is different from the Accelerated Examination in that the latter requires an Examination Support Document (ESD) and does not depend on claims being allowed in other countries.

Mr. Moatz said he appreciated our input on the proposed CLE for patent practitioners, and indicated that a number of participants in the program came due to the California Bar notice sent out in September.

Mr. Moatz indicated that there had been a 20% increase in grievances over the past year, many due to the growing instability of the economy. The main factors he listed for grievances were: 1. Deposit account money, and check kiting to cover expenses causing checks to bounce. 2. Neglect; 3. Misrepresentations; 4. Trying to take over another party's case in a title dispute; and 5. Misconduct in an inter partes re-examination proceeding. Mr. Moatz noted that the FDIC limits applied per depositor, so if a client had $200K in a bank account, and the attorney had a trust fund in the same bank for $50K for the client, and the bank became insolvent, the attorney might expect to lose the deposit account money. Mr. Moatz had recently made a presentation on this subject and indicated he would work to make the materials available for a New Matter article.